# DEIA Strategic Plan 2022 – 2026

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## **TABLE OF CONTENTS**

Message from the CEO	1
About MCC	2
DEIA in the organizational structure	2
DEIA Vision, Mission, and Values Statement	3
DEIA Governance	3
Key Definitions	4
Diversity	4
Equity	4
Inclusion	4
Accessibility	4
DEIA Business Model	4
Workforce Diversity	5
Workplace Inclusion	5
Agency Mission	5
DEIA Strategy	5
DEIA Risk Mitigation	5
Risk #1	6
Risk #2	6
Risk #3	6
Operationalizing DEIA	7
DEIA Maturity Model	7
Data-Driven, Evidence-Based Approach to DEIA Performance	9
Diverse Representation	10
Multicultural diversity	
Generational Diversity	
Supplier Diversity	
Inclusive Workplace Culture	12
Employee Experience	

## MILLENNIUM CHALLENGE CORPORATION

Employee Retention	14
Executive Inclusion & Diversity Council	14
DEIA Focus Areas & Action Plan	14
DEIA Competency Framework Inclusive Intelligence Curriculum	20
DEIA Strategic Initiatives	21
Glossary of Terms	22
References	27



## MESSAGE FROM THE CEO

The Millennium Challenge Corporation's (MCC) aim is to be a leader in the international development sector in advancing diversity, equity, inclusion, and accessibility (DEIA). Like other sectors, international development has experienced challenges with bias, systemic inequities, a legacy of colonialism, and a lack of diverse representation in its leadership ranks. There remains a dearth of women and underserved communities in leadership positions, so we must hold ourselves and our country partners accountable for making progress in social and gender inclusion and other DEIA fronts.

DEIA is essential for mission excellence. Excellence is only achievable in an environment that values, respects, and includes people from diverse cultures and lived experiences and perspectives. Such an environment does not happen on its own; it must be intentionally cultivated and nurtured. A culture of inclusion and belonging begins with a mindset that translates into positive behaviors and outcomes. We envision this culture for MCC and will put words into action.

Our CLEAR values: Collaboration, Learning, Excellence, Accountability, and Respect are guiding principles that inspire and propel us to achieve mission success. We remain committed to achieving results that reflect high performance, innovation, and transformational change for the benefit of our workforce, global partners, and the international development sector.

I am pleased to present MCC's 2022-2026 DEIA Strategic Plan. This Strategic Plan aligns with Executive Order (EO) 14035 and outlines MCC's integrated approach to advance DEIA within MCC's workforce. A similar effort is underway through MCC's Inclusion and Gender Strategy to ensure these principles are carried out in MCC's compact and threshold programs. In the months ahead, these plans will provide a roadmap for the agency as we seek to further elevate DEIA at home and promote inclusive and sustainable economic growth in communities around the world.

Alice P. Albright

Chief Executive Officer

## **ABOUT MCC**

MCC is an innovative and independent U.S. development agency that is helping lead the fight against global poverty. Created by the U.S. Congress in January 2004 with strong bipartisan support, MCC provides time-limited grants promoting economic growth, reducing poverty, and strengthening institutions. These investments not only support stability and prosperity in partner countries but also enhance America's interests.

MCC forms partnerships with developing countries who are committed to good governance, economic freedom, and investing in their citizens. MCC provides development investments through compacts and threshold programs in partner countries.

MCC projects tackle some of the most pressing challenges people face in developing countries, such as supplying electricity so businesses can operate and students can study after dark, providing clean drinking water so women don't have to walk long distances to get water for their families, and building roads so farmers can get their goods to market and children can get to school.

MCC has invested more than \$15 billion in <u>compact and threshold programs worldwide</u> that support country-led projects in areas like agriculture and irrigation, combating corruption, education, energy and power, finance and enterprise development, health, land rights and land access, transportation infrastructure, and water supply and sanitation.

MCC uses a scorecard comprised of 20 third-party, publicly available indicators and important supplemental information to identify countries that demonstrate a clear commitment to Ruling Justly, Investing in People, and Encouraging Economic Freedom. MCC's Board of Directors then considers the policy performance of the country, opportunity to reduce poverty and generate economic growth, and funds available to MCC when selecting countries for both compacts and threshold programs.

Since its founding, MCC has invested in 49 countries on 6 continents. Partner countries are multiethnic, multilingual, and multi-religious. For this reason, it is essential to MCC's mission that our workforce not only represent the diversity of America but the diversity of our partner nations as well.. It is also imperative that we ensure staff possess the requisite intercultural competency needed to effectively carry out the mission.

## **DEIA IN THE ORGANIZATIONAL STRUCTURE**

In 2021, MCC hired its first Chief Diversity Officer (CDO), a practice that EO 14035 strongly encourages. The CDO position resides in the Office of the Chief Executive Officer (CEO) and reports directly to the CEO. The CDO heads the Diversity and Equal Employment Opportunity (EEO) division (DEEO). The DEEO is responsible for two major program functions: 1) DEIA and 2) EEO.

There are two main parts of the EEO function: 1) EEO complaints program and 2) affirmative employment programs. Under the affirmative employment programs, MCC celebrates multiple Special Emphasis Program observances annually.

## DEIA VISION, MISSION, AND VALUES STATEMENT

MCC will build and sustain a diverse and talented workforce starting with leadership and cascading down to all levels across the agency. At MCC, we value all the dimensions of diversity that people bring to the workplace, including cognitive diversity and neurodiversity, which may be less obvious.

MCC will cultivate, nurture, and sustain a global, inclusive culture, where our differences are leveraged to produce innovative solutions to meet the needs of our employees, global partners, and the international development community.

MCC will actively participate in coalitions to advance DEIA both within and outside the agency. We will boldly and intentionally seek out and include the diverse perspectives and lived experiences of staff and partners in our decision-allowing<sup>1</sup> for a sustained competitive advantage in the global marketplace. We will participate in surveys that measure and track progress in DEIA and benchmark against other agencies in the international development sector.

We recognize that DEIA is not solely the responsibility of the CDO. All MCC staff are collectively responsible for advancing and practicing DEIA principles in our everyday lives.

We adopt the ALIVE slogan:

**A** = **Align**. Align DEIA strategy with MCC's human capital strategy, CLEAR values, corporate goals, the President's Management Agenda, and EO 14035.

**L** = **Live.** Live our values. DEIA must translate from the realm of intellectually knowing the right thing to do to doing the right thing as demonstrated by inclusive behaviors. We must model the way.

**I** = **Integrate.** Integrate DEIA into all lines of business so that it is operationalized into how we do business.

**V** = **Value.** Demonstrate the value proposition of DEIA by investing funds, time, staffing, and other resources in DEIA.

**E** = **Evaluate.** We must evaluate the effectiveness of our DEIA efforts. This requires a data-driven, evidence-based approach. We need a baseline to plot a plan. Our DEIA Strategic Plan is our roadmap.

## **DEIA GOVERNANCE**

On June 25, 2021, President Biden signed EO 14035 to advance DEIA in the Federal workforce. As stated in the EO, "The Federal Government should have a workforce that reflects the diversity of the American people... The Federal Government must be a model for diversity, equity, inclusion, and accessibility, where

<sup>1</sup> Neal, S., & DDI. Retrieved May 12, 2022, from <a href="https://www.ddiworld.com/research/inclusion-report">https://www.ddiworld.com/research/inclusion-report</a>

all employees are treated with dignity and respect." MCC should also reflect the diversity of America; to accomplish this, we will focus our efforts on recruiting, hiring, developing, promoting, and retaining the best and brightest talent America has to offer.

## **KEY DEFINITIONS**

#### **DIVERSITY**

The practice of including the many communities, identities, races, ethnicities, backgrounds, abilities, cultures, and beliefs of the American people, including underserved communities.

#### **EQUITY**

The consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment.

#### **INCLUSION**

The recognition, appreciation, and use of the talents and skills of employees of all backgrounds.

## **ACCESSIBILITY**

The design, construction, development, and maintenance of facilities, information and communication technology, programs, and services so that all people, including people with disabilities, can fully and independently use them.

#### **DEIA BUSINESS MODEL**

The research is clear, diversity is good for business and valued by leaders and employees of successful organizations.

A special report from the Global Leadership Forecast series examined responses from 2,102 human resource executives and 15,787 global leaders around the world who were asked to answer key questions about their D&I efforts. The report found that organizations that financially outperform industry competitors have more leadership diversity.<sup>2</sup>

Leaders from companies that qualify as "Best Places to Work" rate their companies substantially higher in multiple categories related to D&I, and the results related to inclusion are more significant. A little more than 1/3 (35 percent) of leaders from the best companies to work for say that inclusion is a strong component of their work culture and values in comparison to only 20 percent of leaders from other companies not ranked as the best companies to work. These findings reveal the importance of an inclusive culture.<sup>3</sup>

<sup>2</sup> media.ddiworld.com/research/GLF\_DiversityandInclusionReport\_2020.pdf 3 media.ddiworld.com/research/GLF DiversityandInclusionReport 2020.pdf

MCC's DEIA strategy must evolve from compliance-based initiatives based on a moral imperative to a business imperative. This requires full integration of DEIA into all aspects of MCC's mission as a driver of performance. The following framework represents an integrated approach to advancing DEIA at MCC. This framework is simple and focuses on data-driven efforts across three areas: PEOPLE, CULTURE, and MISSION.

#### WORKFORCE DIVERSITY

Achieve a workforce that is representative of people from diverse backgrounds at all levels of the agency, divisions and practice groups, country teams, working groups, and all positions.

#### WORKPLACE INCLUSION

Create a work environment that is psychologically safe and free from harassment, bullying, discrimination, bias, and all forms of unwelcome behaviors; a culture that encourages collaboration, learning from differences, flexibility, fairness, and equal opportunity; and where workplace structures, policies, and practices enhance organizational effectiveness.

#### AGENCY MISSION

Leverage DEIA to grow and enhance MCC's brand and reputation as an industry leader and a world-class employer of diverse talent in an increasingly changing marketplace to meet the mission needs effectively and efficiently.

## **DEIA STRATEGY**

Our DEIA strategy recognizes that leadership commitment and accountability, as well as awareness and education are all crucial to success. We will drive explicit priorities and actions aligned with each of these areas until DEIA is infused into MCC's DNA. We are driving efforts with the intention that DEIA becomes implicit and naturally embedded within our organizational culture and human capital strategies and processes.

## **DEIA RISK MITIGATION**

The CDO, in coordination with the agency's Chief Risk Officer (CRO), is tracking enterprise-wide DEIA risk and three sub-component related risks and has created a risk mitigation plan. In addition to the below risks, there are ongoing legal risks of potential harassment and discrimination complaints and the risks associated with failing to create a psychologically safe culture where people feel they can freely speak up without fear of retaliation. MCC is implementing several cultural transformation initiatives to guard against these risks and to cultivate a culture of inclusion.

## RISK #1

Failure to obtain the diverse talent necessary to meet the current mission outcomes or prepare for future mission needs could negatively impact program administration and investment at home and with our country counterparts.

## Strategy

Develop recruitment strategies to attract and hire diverse talent to work for MCC. Strategies should entail approaches tailored to include all dimensions of diversity that are representative of the nation.

Implement de-biasing strategies and methods to ensure that equity is considered at each stage of the recruitment process – from outreach through onboarding.

## RISK #2

Slow or inadequate organizational response to concerns about DEIA in the workplace could lead to reputational harm or employee backlash. It could also lead to people not reporting incidents of harm (e.g., mental health or other concerns) or leaving the agency.

## Strategy

Establish a feedback mechanism, in addition to the annual Employee Viewpoint Survey (EVS), to get timely feedback from staff and demonstrate our commitment to inclusion and accountability while maintaining management responsibility to the agency's mission. Leverage the support of the Executive Inclusion and Diversity (I&D) Council and other employee groups as channels of receiving and providing information to the workforce.

Implement safe channels for employees to anonymously raise concerns. This will aid in supporting our goals of inclusion and transparency.

#### RISK #3

Organizational culture could be difficult to maintain virtually while employees continue to work remotely or shift to a hybrid workforce model.

## Strategy

Coordinate with the Future of Work Team, Learning & Development team, and the Executive I&D Council to devise strategies to ensure that employees maintain a sense of purpose in their work and a connection to MCC's mission and one another – a connected culture.

## **OPERATIONALIZING DEIA**

An integrated approach means that we look at business processes or work streams through a DEIA lens. We do this in the flow of our work to advance MCC's mission. Looking at our work streams through a DEIA lens involves intentionality. This may cause us to slow down some processes and procedures to consider equity and ensure that we are not inadvertently excluding an important perspective that could aid in solving a problem or spark innovation. The investment of time is worthwhile because DEIA advances MCC's mission.

## **DEIA MATURITY MODEL**

MCC will map its DEIA actions to this maturity model recommended in government-wide guidance as captured in the table below. MCC will collect the required data to establish our baseline and determine where the agency stands on the maturity spectrum and where to target our efforts towards improvement. It is also important that we determine the appropriate standards of measurement along with key performance indicators and evaluative methods to gauge our progress in advancing DEIA.

	LEVEL 1	LEVEL 2	LEVEL 3
SIGNALS OF	Foundational	Advancing	Leading
MATURITY	Capacity	Outcomes	and Sustaining
DEIA approach	Focused on	DEIA initiatives	DEIA is an integral part
	complying with	yielding improved	of overall Agency/
	non-discrimination	results and outcomes	Component mission,
	legislation and	driven by dedicated	vision, values,
	regulatory	resources, strategic	strategy, policies, and
	requirements.	planning, goal setting,	practices. Systematic
		and evaluation.	implementation of
		Agency/Component	DEIA driven through
		practices promote	goal setting, data-
		the values of DEIA,	driven analysis,
		but DEIA may not yet	and continuous
		be integrated across	improvement.
		Agency/Component	Agency/Component
		mission and strategic	undertakes structural
		planning.	reforms of policies and
			practices to mitigate
			barriers, if any.

Adapted from OPM's Government-wide Strategic Plan to Advance DEIA

To mature to the next level of DEIA, MCC must build the DEIA infrastructure accompanied by an appropriate budget and resource allocation plan. We will apply a phased approach to development starting with data collection and analysis and progressing toward full integration of DEIA into all MCC processes and work streams.

Advancing DEIA is only possible with the right standards of measurement and infrastructure to support our efforts. We must know our positioning on the DEIA maturity spectrum to plot a pathway forward and achieve our goals. This requires that we collect the right data. Gathering the right data starts with asking the right questions about MCC's processes and work streams across the entire employee life cycle from attracting the right people to work at our agency to retaining our employees until they transition out of the agency and all stages in between. We want our staff to feel seen, heard, and appreciated and know they are valued. We are attempting to answer the questions:

- What are the impacts across all these processes and work streams that affect our people and their experience with our agency?
- Does equity apply the same for all groups across the board? If not, why might that be?
- Are our programs, activities, events, facilities accessible by all members employees, applicants, and contractors?
- Does everyone feel included and a sense of belonging?

We will apply the best methods to collect, report, and display data to tell stories about our DEIA journey. We will be transparent about where we are on the journey and how much farther we have yet to go.

We will acquire the resources that will enable us to go beyond compliance with federal laws and regulations to establish an integrated approach to DEIA as reflected in the third column of the maturity matrix.

The DEIA tools and resources that will assist in MCC's maturity include:

- Equity study/analysis in accordance with EO 14035 to advance equity.
- Cultural audit based on the Race, Equity, Diversity, and Inclusion (REDI) framework that determines the agency's readiness to implement certain programs based on its current processes and procedures.
- Equity online application that includes data capture, reporting, and visualization.
- Section 508 Compliance applications for the website and digital media.
- DEIA performance metrics application with a dashboard feature.
- Survey tool that enables the capture of employee sentiment.
- Collaborative platform that allows us to recognize employees all year long, rather than just once per year.
- Resources for DEIA initiatives and Special Emphasis Program (SEP) observances.
- Increased capacity for data analytics.

MCC is in the early, foundational stage of its DEIA maturity, and the next stage is building an infrastructure and providing adequate resources to support and sustain the DEIA efforts. MCC is planning several strategic initiatives, outlined below, to foster a more inclusive workplace culture.

## DATA-DRIVEN, EVIDENCE-BASED APPROACH TO DEIA PERFORMANCE

Regarded as the ultimate standard of measurement for policy reform, MCC's scorecard is a primary incentive cited for why MCC partner countries reform their policies. Our evidence-based approach and comprehensive results framework seeks to measure, collect, and report on the outputs, outcomes, and impacts of MCC investments. This framework is designed to foster learning and accountability, and it has served as a model for global dialogue about development results and aid effectiveness for over a decade.

Our commitment to making decisions based on data and evidence pervades all aspects of our investment in a country. Country scorecards, constraints analyses, cost-benefit analyses, and monitoring and evaluation plans are some of the main tools MCC uses to achieve, measure, learn from, and transparently report its results. This evidence informs and shapes future project design and decisions. Therefore, it is only fitting that we apply the same standard of excellence and rigor to ourselves regarding our progress in advancing DEIA.

MCC will apply standards of measurement such as those outlined in the International Organization for Standardization's *ISO 30415 for Human Resource Management – Diversity and Inclusion* and the Center for Global Inclusion's *Global Diversity, Equity & Inclusion Benchmarks – Standards for Organizations Around the World.* We will use those benchmarks as a guide when developing our own scorecard, goals, and performance metrics, tailoring them to our unique context as a development agency as we chart a path to becoming a respected DEIA leader that other organizations in this sector seek to emulate and benchmark against.

We will capture data on the diverse composition of our workforce distributed by multiple demographic profiles based on the format outlined in the EEOC Management Directive 715 (MD-715) report format. We recognize that simply capturing data on EEO groups or underrepresented groups does not go far enough. We must also analyze the data that we collect using best practices in barrier and equity analyses. We will rely on best practices and emerging trends to ensure we are applying the best tools and methodologies available to us. We will use a variety of methods to capture employee sentiment about DEIA, including but not limited to surveys, listening sessions, and focus groups.

MCC will consider using an organizational audit or Organizational Culture Assessment (OCA) using the Race, Equity, Diversity, and Inclusion (REDI) framework to look critically at how the agency engages employees, contractors, and customers. An OCA reflects the organization's connections to the communities it serves.

EO 14035 calls for the expansion of the collection of voluntarily self-reported data and for more effective measurement of the representation of underserved communities in the Federal workforce. Data collection is to be conducted in a manner that protects privacy, safeguards personally identifiable information, facilitates intersectional analysis, and reduces duplicative reporting requirements. The data collection should allow for the capture of multiple attributes and identities for an intersectional analysis.

Additionally, agency heads shall collect and analyze voluntarily self-reported demographic data regarding the membership of advisory committees, commissions, and boards in a manner consistent with applicable

law, including privacy and confidentiality protections and with statistical standards where applicable. For agencies that have external advisory committees, commissions, or boards to which agencies appoint members, agency heads shall pursue opportunities to increase diversity, equity, inclusion, and accessibility on such committees, commissions, and boards.

MCC will promote a data-driven approach to increase transparency and accountability, which would build upon the EEOC's MD-715 reporting process. The MD-715 report is a document agencies use to annually report the status of its activities undertaken under its EEO program pursuant to Title VII of the Civil Rights Act of 1964 and under its affirmative action obligations pursuant to the Rehabilitation Act of 1973.

Self-identification is the preferred means of obtaining information about an individual's race and ethnicity, except in instances where observer identification is more practical. The surveyor should not tell an individual who he or she is or specify how an individual should classify himself or herself.

The Office of Management and Budget (OMB) minimum categories for race are: American Indian or Alaska Native, Asian, Black, or African American, Native Hawaiian or Other Pacific Islander, and White.

The OMB minimum categories for ethnicity are: Hispanic or Latino and Not Hispanic or Latino. When self-reporting or other self-identification approaches are used, respondents who wish to identify their multi-racial heritage may choose more than one race.

MCC will implement a DEIA dashboard to display the progress made towards accomplishing our DEIA goals. At a minimum, the dashboard will report on actions taken to meet the objectives of the order and shall include measurement of improvements, analysis of the effectiveness of agency programs, and descriptions of lessons learned.

#### **DIVERSE REPRESENTATION**

MCC knows that diverse representation matters. Diverse representation acknowledges that people of different backgrounds will bring different perspectives and knowledge to a conversation and that those differences of expertise and opinion are valuable.

A higher proportion of female, racial, and ethnic minorities in leadership positions has a significant influence on the opportunities available to diverse talent, which has implications for the talent pipeline. Industries with greater shortages of diversity often lag in DEIA efforts partially because there are fewer role models and mentors to encourage younger generations of women and minority talent to pursue employment opportunities with their organizations, especially leadership positions.

Occupational segregation and discrimination are significant factors in explaining racial wage gaps, and these gaps are signs of the larger structural inequities that Black and Latinx professionals face in the workplace that impact related outcomes such as promotions, recruitment, and retention.

Globally, women comprise about 29 percent of leadership roles, and people from diverse racial/ethnic backgrounds comprise only 22 percent of leadership positions. Global research also showed that women reported receiving less coaching or feedback as compared to men when they transitioned into their

leadership roles. Women were also less likely to be given the opportunity to take an assessment or receive training. Additionally, women were more likely to say their employer did not set clear, realistic expectations for their role. At higher levels of leadership, women reported needing to leave their companies for promotional opportunities.

As part of our data-driven approach, we will collect and maintain data on the composition of our work-force categorized by various dimensions of diversity, such as race, ethnicity, gender and gender identity, sexual orientation, disability, age (generation), and veteran status. Although providing information about demographic characteristics is voluntary, we know that it is useful to our human capital strategy, specifically to workforce and succession planning, as well as targeted efforts to recruit and retain diverse talent. We will communicate to our workforce the importance of this data capture and how it will be used to allay any concerns they may have about their privacy.

## MULTICULTURAL DIVERSITY

Three-quarters of the world's major conflicts have a cultural dimension. Bridging the gap between cultures is urgent and necessary for peace, stability, and development. When diversity is not managed effectively, it can lead to conflict and can cause productivity to wane or come to a halt. When conflicts based on differences arise, they can lead to perceptions of unfairness or unequal treatment. This can lead to complaints alleging discrimination, litigation, and other negative outcomes that affect team cohesion and morale, which can be disruptive to the workflow and ultimately the mission. For these reasons, we need managers who are skilled at bridging across differences and facilitating productive working relationships. We also need managers who can work well with others. Some may think these skills are tangential to the real work, but in fact, they are critical to the work itself. MCC is committed to equipping its managers with the skills and tools to effectively manage people and processes and to advance the agency's mission.

Culture is an essential component of every society. It is the fabric that weaves communities together and gives them a shared identity. Including and celebrating cultural diversity is essential to working effectively with our partner countries and adapting solutions to the local context. Embracing cultural diversity through cultural heritage observances brings people together and makes the workplace more welcoming for staff and stakeholders alike. Cultural diversity expands choices and nurtures a variety of skill sets, human values, and worldviews. Cultural diversity is a driver for sustainable development.

#### GENERATIONAL DIVERSITY

A multigenerational workforce is comprised of people from several generations. The average lifespan for humans has been increasing, so more individuals are choosing to work well past the typical federal retirement age of 55. The age diversity in the current workforce is the widest ever with five different generations: Silent Generation, Baby Boomers, Generation X, Millennials, Generation Z.

Including a range of ages will only add value to our organization and mission. Younger employees are typically digitally fluent because they are accustomed to rapidly developing technology. More mature employees have knowledge gained over the course of their careers that can guide decision-making. The collaboration of fresh innovation with wisdom from proven experience brings increased productivity.

## SUPPLIER DIVERSITY

In accordance with management direction in OMB Memorandum M-22-03, Advancing Equity in Procurement (December 2, 2021), Chief Human Capital Officers should work with covered officials of their Senior Executive Service (SES) to ensure their performance plans address progress towards agency achievement of the small business contracting goal, as well as each of the four socioeconomic small business goals in the Small Business Act.

Each year, the Federal Government spends more than \$650 billion, making it the largest consumer of goods and services in the world. This spending is a powerful tool to support small business growth and build generational wealth throughout the United States, this includes firms owned by underrepresented individuals. Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities requires agencies to identify and address barriers underserved communities face in achieving full and equal participation in the Federal marketplace. Since 2005, MCC has awarded 40 percent of its MCC-managed contracting dollars to small businesses, 10 percent to woman-owned small businesses, and 9 percent to small, disadvantaged businesses.

Supplier diversity emphasizes the creation of a diverse supply chain that works to secure the inclusion of diverse groups in the procurement plans for government, not-for-profits, and private industry.

Supplier diversity is also the business practice of intentionally and consistently including small- and diverse-owned businesses in an organization's procurement activities to improve bottom-line results. Moving forward, MCC will seek additional opportunities to further diversify the agency's suppliers.

## INCLUSIVE WORKPLACE CULTURE

A recent study published in the MIT Sloan Management Review found that a toxic corporate culture is the strongest predictor of industry-adjusted attrition and is ten times more predictive of turnover than compensation. The analysis by Donald Sull, Charles Sull, and Ben Zweig found that the leading elements contributing to toxic cultures include failure to promote diversity, equity, and inclusion; workers feeling disrespected; and unethical behavior. Interestingly, the researchers also found that company-organized social events, including happy hours, team-building excursions, potluck dinners, and other activities outside the workplace are a key element of a healthy corporate culture and are correlated with higher rates of retention. <sup>4</sup>Organizing fun social events is a low-cost way to reinforce corporate culture as employees return to the office, and it strengthens employees' personal connections to their team members.

MCC will work to foster an inclusive workplace culture that is built on psychological safety and allows everybody to be their authentic, best selves. To build that environment we must be aware of potential barriers. Barriers can block our ability to form inclusive workplaces; and therefore, must be identified and removed. Barriers limit us from achieving our full potential and can limit or prevent us from achieving equality. Barriers are often structural, but they can be attitudinal as well.

<sup>4</sup> Sull, C., & Sull, D. (2022, January 11). Toxic culture is driving the great resignation. MIT Sloan Management Review. Retrieved May 12, 2022, from https://sloanreview.mit.edu/article/toxic-culture-is-driving-the-great-resignation/

A barrier can be a system, an affiliation, or even an individual. When structural barriers are combined with individual biases, the outcomes can be even more detrimental because together those impediments become reinforced and entrenched in a way that makes them difficult to spot and remove.

It is important that we be intentional in listening to our staff about the things they perceive as getting in the way of their progressing and thriving at work. We will do this through employee viewpoint and other surveys, listening sessions, focus groups, and other feedback loops. We will also educate staff about the unconscious biases we all have and how to detect and mitigate them as a necessary step in eradicating barriers.

## **EMPLOYEE EXPERIENCE**

MCC will take an expansive and holistic view of the employee experience and work to create memorable, positive experiences at every step in the employee journey. These moments create an emotional connection between employees and the organization — and they start before hiring and continue long after departure. When the experience is good, employees are fully committed. When it's bad, they either leave or stay, in which case productivity may wane.

Employees want to be part of a healthy culture that recognizes their individual needs and ambitions. Today's employees have an entrepreneurial mindset and like their employers they also expect a return on their investment – beyond their salaries. They want to feel a sense of purpose in their work and its contribution to the broader mission of the organization.

Employees at organizations with positive employee experiences feel aligned with each other, leadership, and the organization's values. They collaborate and communicate seamlessly across branches, departments, and age groups. Employees enjoy frequent feedback on their work from both leaders and colleagues and feel appreciated and recognized for their work. They feel equipped to excel in their work because of effective tools and processes. And overall, there is a positive perception of leadership. This sense of belonging also extends to allyship and Employee Resource Groups (ERG). People in places where allyship is encouraged are twice as likely to feel like they belong. A study by Change Catalyst found that people in places where allyship is encouraged are twice as likely to feel like they belong. Specifically, underrepresented groups that include women, Black people, LGBTQIA+ and those with disabilities reported that when they have an ally in the workplace, they are more than 1.5x likely to feel safe.<sup>5</sup>

An ERG is an employee-led group that fosters inclusivity and builds community. This employee group also provides personal and professional support to its members. ERGs support underrepresented employees in the workplace. Employees who lead and take part in ERGs share certain things in common. For example, ERGs at MCC include a Women's Leadership Group as well as a Family Group focused on work-life balance and family friendly policies.

ERGs are meant to be supportive rather than exclusive. The idea is to narrow the focus enough to effectively support groups that are underrepresented and whose needs and concerns might not be well-reflect-

<sup>5</sup> Zalis, S. (2021, November 10). Why allyship is good for business. Forbes. Retrieved May 12, 2022, from <a href="https://www.forbes.com/sites/shelleyzalis/2021/11/10/why-allyship-is-good-for-business/?sh=1b3becc21a45">https://www.forbes.com/sites/shelleyzalis/2021/11/10/why-allyship-is-good-for-business/?sh=1b3becc21a45</a>

ed in company policy otherwise. At the same time, ERGs want to help connect members into the larger organization. Encouraging allyship is another important role for ERGs. Allies could receive invitations to join the ERG to support their colleagues.

#### **EMPLOYEE RETENTION**

An organization's ability to attract and retain diverse candidates largely depends on creating an inclusive environment where people feel they can grow and thrive. Yet only 27 percent of the organizations surveyed feel that inclusion is a strong part of their organization's culture and values, revealing that organizations may not be achieving the full benefits of a diverse and inclusive culture<sup>6</sup>.

Employee retention is a set of tactics and strategies aimed at optimizing your workplace to improve employee satisfaction and the employee experience so that they can thrive at your organization and not leave the organization. Minority leaders are at a greater risk of departure. Organizations should not only pay attention to hiring for diversity; they should also focus on retaining diverse talent.<sup>7</sup>

## **EXECUTIVE INCLUSION & DIVERSITY COUNCIL**

Led by MCC's CDO, the Executive I&D Council is representative of the departments and offices across the agency so that all voices are heard. The Council also has an executive sponsor who is a vice president of an agency department. There are 13 members on the Council, and we plan to expand membership to a total of 16.

According to the charter, the Council membership should not fall below ten members and should not exceed 20 members at any given time. The Council will use as its governance guidepost EO 14035 to advance DEIA in the Federal workforce and other related laws, regulations, and policies.

The Council will help steer MCC's DEIA strategy by connecting those activities to broader data-driven and results-oriented strategies. The Council workgroups are organized around several of MCC's work streams, which also align with the government wide DEIA Strategic Plan pursuant to EO 14035. The Council workgroups will help formulate and execute the Plan. This is the primary way that we will ensure an integrated approach to DEIA.

#### **DEIA FOCUS AREAS & ACTION PLAN**

Focus Area 1: Leadership & Accountability

Goal:

• MCC leadership provides agency-wide ownership and accountability for MCC's DEIA strategy and results.

<sup>6</sup> Neal, S., & DDI. Retrieved May 12, 2022, from <a href="https://www.ddiworld.com/research/inclusion-report">https://www.ddiworld.com/research/inclusion-report</a>

 $<sup>7\</sup> media. ddiworld. com/research/GLF\_Diversity and Inclusion Report\_2020.pdf$ 

#### **Actions:**

- Formulate the I&D Council charter and governance documents.
- Recruit members to backfill positions when a Council seat becomes vacant.
- Partner with sister agencies and coalitions to glean promising practices and leverage efforts to advance DEIA.
- Lead a needs assessment to inform MCC's DEIA priorities.
- Assist in formulating MCC's DEIA policy statement.
- Steer the work of the workgroups.
- Coordinate in the preparation of the agency's DEIA Strategic Plan and other strategic documents.
- Coordinate with the CDO and the CRO on risk mitigation strategies for DEIA risks.
- Establish objectives and measures in collaboration with Human Resources to hold the agency leaders accountable for demonstrating full commitment to advancing DEIA.
- Promote DEIA programs, activities, and initiatives to staff and colleagues.
- Assist with overall messaging about DEIA.

## Focus Area 2: DEIA Data Collection, Assessment & Reporting Goal:

Leaders and managers use DEIA data to make evidence-based decisions with transparency.

#### **Actions:**

- Develop a comprehensive data collection plan (referencing existing agency data and data to be collected through an agency survey), in coordination with Human Resources and the CDO, to capture DEIA data needed to establish a baseline on each focus area while ensuring that PII is protected. The other workgroup leads will provide this workgroup with the data they would like to capture to analyze and track improvements in their areas. At a minimum, data will be collected on policies and practices related to recruitment, retention, advancement, performance and recognition, equity (including pay equity), and vendor diversity.
- Establish a baseline for assessing each focus area's starting point and desired end state based on the stated goals.
- Identify the appropriate systems, technologies, and tools to use for data collection and analysis, if applicable.
- Determine the appropriate DEIA reporting format and frequency.

Focus Area 3: Recruitment of a Diverse Talent Focusing on Underserved Communities Goal:

• Effective strategies are used to attract, recruit, retain, develop, and advance diverse talent at all levels throughout the agency and objective measures for evaluating effectiveness.

## Actions:

- Integrate DEIA strategy, in collaboration with Human Resources, into the agency's human capital strategy and future of work plans.
- Maximize opportunities to hire candidates at the entry level, such as Pathways Programs, Presidential Management Fellows, the International Career Advancement Program (ICAP), etc.
- Examine the agency's security clearance process in collaboration with the Domestic and International Security Office to identify and eradicate any discriminatory practices.
- Examine the agency's recruitment practices in collaboration with Human Resources to determine if they are effective at reaching a diverse pool of candidates.
- Update MCC's website and USAJobs Opportunity Announcements to more effectively communicate the inclusive work environment to attract diverse talent.
- Continue to partner with Congressional and Public Affairs and Human Resources to post MCC vacancies on job boards where diverse candidates are more likely to see our job ads, such as LinkedIn, Facebook, Instagram, Twitter, etc., that incorporate a focus on diversity.
- Continue to build relationships with Minority Institutions of Higher Education, including
  Historically Black Colleges and Universities, Hispanic Serving Institutions, Tribal Colleges,
  Workforce Recruitment Program for Disabled Students, Gallaudet University, etc.
- Establish relationships with professional associations and affinity groups that serve underserved communities (underrepresented minority groups).
- Target recruitment strategies to attract multiple generations in the workforce, including Millennials and Gen Z candidates.
- Develop a comprehensive framework for talent pipeline management, including the use of special hiring authorities and other unorthodox methods in compliance with federal guidelines.
- Review applicant flow data to determine whether recruitment and outreach is reaching demographics.
- Ensure interview panels are diverse.
- Incorporate DEIA into agency and department onboarding process and materials.
- Offer best practices and training to selecting officials on the impact of bias in the hiring process.
- Examine the entire application process, from the vacancy announcement phase through onboarding, for bias. Create a checklist for each stage of the process to identify and remove bias.

## Focus Area 4: Professional Development & Advancement

#### Goal:

 MCC has established professional development programs that equip staff with the requisite skills to advance their careers.

#### **Actions:**

- Identify learning and development opportunities to develop MCC's diverse workforce through mentorship programs, coaching programs, and ICAP.
- Consolidate DEIA into promotion and professional development processes to facilitate advancement within MCC's workforce. Assess succession plans to prioritize diversifying the workforce at all levels through targeted learning and development opportunities.
- Establish career paths to help employees see career advancement opportunities.

## Focus Area 5: Performance Management & Recognition

#### Goal:

 DEIA is integrated into performance and recognition processes to ensure fair and objective outcomes with accountability for demonstrating DEIA results.

#### **Actions:**

- · Conduct an agency-wide review of the performance appraisal system.
- Integrate DEIA into performance and recognition processes to provide a reasonable assurance of fair and objective outcomes.
- Develop performance measures to gauge progress and effectiveness.
- Establish a DEIA competency framework that contains inclusive, cultural, and emotional intelligence.
- Establish award criteria and nomination procedures to reward successful achievements in DEIA.

## Focus Area 6: Workplace Safety, Culture & Engagement (Inclusion)

#### Goal:

• An inclusive workplace culture in which all staff feel a sense of belonging and purpose; can be their authentic, best selves; and can productively contribute to MCC's mission.

#### **Actions:**

Promote a workplace environment that is free of harassment, discrimination, bullying, and all
forms of non-inclusive behaviors.

- Promote the use of inclusive language or gender-neutral language, including inclusive pronouns.
- Support initiatives that foster an inclusive workplace culture, such as the psychological safety pilot and psychological safety agreements and the inclusion café a brave space for courageous conversations.
- Support the implementation of a survey assessment that captures employee sentiment regarding DEIA with a focus on inclusion and belonging.
- Coordinate with the Future of Work Team to explore and implement work-life wellness and work flexibility programs. Educate staff on the benefits and services available to support work-life balance and career management to help them feel more connected and engaged with MCC in a hybrid work environment.
- Support the establishment of ERGs for employee engagement and belonging among groups based on their affinity and that also add value as a feedback loop to leadership. ERGs have proven effective in helping with employee recruitment and retention of diverse employees.
- Establish an allyship ERG.
- Continue to promote and celebrate diversity through the SEP cultural observances.

Focus Area 7: Advancing Equity (Including Pay Equity) for Underserved Communities, Including Employees with Disabilities, LGBTQ+

#### Goals:

- Employees perceive they are treated fairly and have equal opportunities to learn and grow at MCC irrespective of their race, ethnicity, ability, sexual orientation, or any other dimension of diversity.
- Employees have a reasonable expectation that staff will be held accountable for behaving in a biased, unfair, inappropriate, harassing, and discriminatory manner in violation of MCC's policies.

#### Actions:

- Establish a scoring rubric or equity score card to assess MCC's progress towards achieving equity.
- Conduct an equity study that includes an examination of pay and other forms of equity across multiple diversity dimensions, including race, ethnicity, gender, and disability status, sexual orientation, and gender identity.
- Perform barrier and equity analyses to detect and remove any barriers that might exist.
- Ensure that MCC complies with Section 508 of the Rehabilitation Act in all forms of information technology across all platforms.
- Implement the use of gender markers and pronouns that respect members of this community.

Focus Area 8: Supplier Diversity

Goals:

Opportunities for underserved communities to contract with MCC are maximized. Communities
include small and disadvantaged businesses, as well as minority-, women-, service-disabled-, and
LGBTQ+-owned enterprises.

#### **Actions:**

- Utilize small and disadvantaged businesses whenever possible.
- Incorporate DEIA into procurement and acquisition strategies to obtain goods and services from small and disadvantaged businesses.
- Require MCC's partners to further diversity and inclusion in their work.

#### DEIA COMPETENCY FRAMEWORK

Leveraging Diversity is a sub element under executive core qualification #2: Leading People, which the U.S. Office of Personnel Management has identified as a critical leadership skill for members of the senior executive service in the Federal Government.

MCC will establish a DEIA competency framework that uses a science-based approach to learning. This framework is just one element of a broader integrated approach to advance DEIA. It will identify the skills that are required to successfully lead a diverse workforce and to foster an inclusive workplace culture built on psychological safety and trust. The framework will map to certain behaviors and performance elements enabling accountability and results enabling us to recognize achievements in DEIA and reward them. This is an example of how MCC will demonstrate its commitment by tying DEIA to performance, and this is how we progress in the maturity model.

Research shows that one and done training is ineffective at changing behaviors and that training on unconscious bias can create a backlash. Yet recent research reveals that when training is part of an integrated approach that looks at changing policies, processes, and systems to remove barriers to inclusion, such as biases, it is much more effective. <sup>8</sup>

We must think differently about diversity and managing diversity if we expect different results than what we've been getting. While diversity is inherent in what everyone brings to the workplace, the skill to manage diversity is not, and it must be learned the same as any other discipline where knowledge and application are required. Effectively managing diversity can pay off in innovation, productivity, and improved performance. The research is abundant on the benefits of diversity.

An effective solution covers all aspects of an organization—its culture, structure, policies, processes, people, and practices. MCC will apply a comprehensive approach with multiple efforts to drive and sustain the desired outcomes. This requires a long-term commitment.

<sup>8</sup> Lindsey, A., King, E., Membere, A., & Deung, H. K. (2017, July 28). Two types of diversity training that really work. Harvard Business Review. Retrieved May 12, 2022, from <a href="https://hbr.org/2017/07/two-types-of-diversity-training-that-really-work">https://hbr.org/2017/07/two-types-of-diversity-training-that-really-work</a>

A good change management model should enable change to occur at three levels: 1) individual, 2) interpersonal, and 3) institutional. Another way to say this is self, others, and systems. For the change to take hold and be sustained, it must cut across all three levels:

- 1. Change at an individual level or that takes place within the individual, which usually occurs through self-awareness or when insights emerge through learning.
- 2. Change at an interpersonal level that occurs among others, such as in a team setting.
- 3. Change at an institutional (systemic) level.

Another way to think about this is structural change that affects the entire enterprise, such as when a new technology is implemented. It's important to know that although structurally a policy may apply to everyone equally, there may not be equal outcomes, and that's where equity factors in.

Change doesn't have to be fraught with fear, uncertainty, or discomfort. The change can be small and incremental, such as in personal habit formation. Ideally, the learning must apply to all three aspects for optimal results. Neuroscience research on how people learn indicates that most people learn best and knowledge is retained when the learning is spaced out and offered in small chunks; this is called micro-learning. MCC's CDO will work with the Learning and Development staff to design a DEIA competency framework that uses the latest research on how people learn and change their behaviors to include key behavioral indicators for performance management.

#### INCLUSIVE INTELLIGENCE CURRICULUM

In addition to the competency framework, MCC will establish learning content that centers on three aspects of interpersonal skills to enable productive working relationships: Inclusive Intelligence, Cultural Intelligence, and Emotional Intelligence.

Inclusive Intelligence (IQ) is a person's ability to incorporate others consistently and successfully into their group. When inclusive behaviors are repeated and reinforced in an organization, the culture becomes increasingly inclusive and engaging which results in high performance. Inclusive behaviors include fair, open, cooperative, supportive, and empowering to name a few. Inclusive habits lead to increased teamwork and better retention, innovation, and productivity in the workplace.

Cultural Intelligence (CQ) is the capability to relate and work effectively in culturally diverse situations. CQ enables us to interact effectively with people from different cultures. An organization is only as good as its culture and cultivating a healthy workplace culture is everybody's responsibility. This competency will enable employees to understand the perceptual, institutional, and psychological processes that impact the way people interact with each other.

Emotional Intelligence (EQ) is the ability to manage both your own emotions and understand the emotions of people around you. There are five key elements to EQ: self-awareness, self-regulation, motivation, empathy, and social skills. People with high EQ can identify how they are feeling, what those feelings mean, and how those emotions impact their behavior and other people. By identifying the emotions

behind the behavior, you'll have a better understanding of others and how to best interact with them. High EQ overlaps with strong interpersonal skills, especially in the areas of conflict management and communication, which are crucial skills in the workplace.

Required DEIA training should include, but is not limited to, empathy, growth mindset, managing diversity, cultural humility, curiosity, and allyship.

Another educational component MCC has in our toolkit are SEP observances, also called "Heritage Month" observances, and international days.

According to the United Nations, "International days and weeks are occasions to educate the public on issues of concern, to mobilize political will and resources to address global problems, and to celebrate and reinforce achievements of humanity."

#### **DEIA STRATEGIC INITIATIVES**

Culture consists of three main elements: behaviors, systems, and practices that are guided by an overarching set of values. The goal is for our culture to reflect our values. The following strategic initiatives are designed to cultivate a culture of care and compassion at MCC and will be built on psychological safety, trust, inclusion, belonging, and workplace wellness. We intend for these efforts to not only be sustainable but regenerative and transformational. In coordination with the work of MCC's I&D Council, we will focus much of our effort on an inclusive organizational culture.

#### Psychological Safety Pilot Initiative

Psychological safety — an environment in which people believe that they can speak up candidly with ideas, questions, concerns, and even mistakes — is vital to leveraging the benefits of diversity because it can help make inclusion a reality. Inclusion is more likely to be experienced as real when a workplace is higher in psychological safety because diverse perspectives are more likely to be heard. Diverse perspectives cannot be heard if they are not expressed, which is where psychological safety comes in. It is difficult to feel a sense of belonging when one feels psychologically unsafe. Psychological safety is about enabling candor. Inclusion is necessary for mutual learning, and mutual learning is necessary in today's knowledge economy. Extensive academic literature on psychological safety has demonstrated its powerful association with learning and performance in teams and organizations.

#### Inclusion Café Initiative

MCC will build its capacity for courageous conversations at work. One of the most influential ways we can practice inclusive behavior at our workplace is by talking about diverse topics that broaden our perspectives and practice empathy to foster inclusive behavior. Advanced levels of equity, inclusion, and intercultural fluency within an organization requires difficult conversations about high-risk topics.

While many organizations view these topics as third-rail or intrusive, MCC will not shy away from the tough, hard-to-hear subjects. With the onset of the pandemic, more of our personal views are blending into our work lives, and we need to be equipped to handle our new normal. DEIA-related topics center

on our identities and sense of belonging, and if we embrace people being their authentic selves at work, we must create space for such conversations to be held responsibly and skillfully. The Inclusion Café is a hosted space to be in inquiry together. As we hold "brave space" for courageous conversations, we simultaneously hold ourselves accountable to one another and the environment that we work in together – whether virtually or in person.

## Building Belonging in the Workplace Initiative

Organizations with embracive cultures reap the benefits of employees who are fully engaged, care about their work, and love what they do. Research shows a culture of belonging is based on being:

- Connected to the people we work with, our leaders, and the organization.
- Respected by the people we work with and our leaders.
- Protected by the promise that we are safe to be and to express ourselves freely.

## **GLOSSARY OF TERMS**

- Bias A prejudice in favor of or against a thing, person, or group compared with another, usually in a way that is considered unfair. Biases may be held by an individual, group, or institution and can have negative effects.
  - *Conscious or explicit bias* is when individuals are aware of their prejudices and attitudes toward certain groups. This can take the form of overt racism or discriminatory behaviors.
  - *Unconscious or implicit bias* is when individuals are unaware of their hidden biases.
- Belonging Feeling valued through positive connections with others and able to bring your authentic self to work.
- **Colonialism** The policy or practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically.
- Psychological Safety A shared belief that the team is safe for interpersonal risk taking. Being able to show and employ oneself without fear of negative consequences of self-image, status, or career (Kahn 1990, p. 708).
- Employee Experience The sum of all experiences an employee has with their employer over the duration of their relationship. Encapsulates what people encounter and observe over the course of their tenure at an organization.
- Employee Engagement The degree to which employees are committed to helping their organization achieve its goals. It's demonstrated by how employees think, feel, and act, as well as the emotional connection employees feel towards their employer.
- **Diverse Spend** The procurement dollars spent solely with small and diverse businesses often expressed in a dollar amount or percentage of total procurement spent.
- Cognitive Diversity The variety of people with different thought patterns, ideas, problem-solving methods, and mental perspectives.

- Neurodiversity The range of differences in individual brain function and behavioral traits, regarded as part of normal variation in the human population (used especially in the context of autistic spectrum disorders).
- **Disability** A physical or mental impairment that substantially limits one or more major life activities of such individual, a record of such an impairment, or being regarded as having such an impairment.
- Targeted Disability The federal government has recognized that qualified individuals with certain disabilities, particularly manifest disabilities, face significant barriers to employment above and beyond the barriers faced by people with the broader range of disabilities. These barriers are often due to myths, fears, and stereotypes about such disabilities. The federal government calls these "targeted disabilities." For a complete list, visit the eeoc.gov website.
- Ethnicity A social construct that divides people into smaller social groups based on characteristics such as shared sense of group membership, values, behavioral patterns, language, political and economic interests, history, and ancestral geographical base.
  - Examples include Cape Verdean, Haitian, African American (Black); Chinese, Korean, Vietnamese (Asian); Cherokee, Mohawk, Navaho (Native American); Cuban, Mexican, Puerto Rican (Latino); and Polish, Irish, and Swedish (White).
- People of Color Often the preferred collective term for referring to non-White racial groups. Racial justice advocates have been using the term "people of color" (not to be confused with the pejorative "colored people") since the late 1970s as an inclusive and unifying frame across different racial groups that are not White to address racial inequities. While "people of color" can be a politically useful term and describes people with their own attributes (as opposed to what they are not, e.g., "non-White"), it is also important whenever possible to identify people through their own racial/ethnic group, as each has its own distinct experience and meaning and may be more appropriate.
- Race There are three important concepts linked to race:
  - 1. Race is a made-up social construct and not an actual biological fact.
  - 2. Race designations have changed over time. Some groups that are considered "white" in the United States today were considered "non-white" in previous eras, U.S. Census data, and mass media and popular culture (example, Irish, Italian, and Jewish people).
  - 3. The way in which racial categorizations are enforced (the shape of racism) has also changed over time. For example, the racial designation of Asian American and Pacific Islander changed four times in the 19th century. That is, they were defined at times as white and at other times as not white. Asian Americans and Pacific Islanders, as designated groups, have been used by whites at different times in history to compete with African American labor.
- Racial Groups (as Defined by Office of Management and Budget) —

- American Indian or Alaska Native: A person having origins in any of the original peoples of North and South America (including Central America) and who maintains tribal affiliation or community attachment.
- Asian: A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- Black or African American: A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American"
- Native Hawaiian or Other Pacific Islander: A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- White: A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.
- Hispanic or Latino represents an ethnicity, not a race. According to the U.S. Census Bureau, a person who identifies as Hispanic or Latino can fall under any racial category. Hispanic/Latino is defined as a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term "Spanish origin" can be used in addition to "Hispanic or Latino."
- LGBTQ+ An acronym for "lesbian, gay, bisexual, transgender, and queer" with a "+" sign to recognize the limitless sexual orientations and gender identities used by members of the community.
- Non-binary An adjective describing a person who does not identify exclusively as a man or a woman. Non-binary people may identify as being both a man and a woman, somewhere in between, or as falling completely outside these categories. While many also identify as transgender, not all non-binary people do. Non-binary can also be used as an umbrella term encompassing identities such as agender, bigender, genderqueer, or gender-fluid.
- **Generations** Generations are one way to group age cohorts. A generation typically refers to groups of people born over a 15–20-year span.
  - *The Silent Generation*, also known as the "Lucky Few," is the cohort who came of age in the post–World War II era. They were born from 1928 to 1945.
  - Baby Boomers are the people born following World War II from 1946 to 1964. Increased birth rates were observed during the post–World War II baby boom, making them a relatively large demographic cohort.
  - *Generation X* (or Gen X for short) is the cohort following the baby boomers. The generation is generally defined as people born between 1965 and 1980.
  - *Millennials*, also known as Generation Y, are the generation who grew up around the turn of the 3rd millennium. According to the Pew Research Center, the generation spans those born between 1981 and 1996.

- *Generation Z* (or Gen Z for short and colloquially as "Zoomers") are the people succeeding the Millennials. Pew Research Center describes Generation Z as spanning from 1997 to 2012.
- Generation Alpha (or Gen Alpha for short) is the one succeeding Generation Z. Researchers and popular media typically use the early 2010s as starting birth years and the mid-2020s as ending birth years. Generation Alpha is the first to be born entirely in the 21st century.
- Underserved Communities The term "underserved communities" refers to populations sharing a particular characteristic, as well as geographic communities, who have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life. In the context of the Federal workforce, this term includes individuals who belong to communities of color, such as Black and African American, Hispanic and Latino, Native American, Alaska Native and Indigenous, Asian American, Native Hawaiian and Pacific Islander, Middle Eastern, and North African persons. It also includes individuals who belong to communities that face discrimination based on sex, sexual orientation, and gender identity (including lesbian, gay, bisexual, transgender, queer, gender non-conforming, and non-binary [LGBTQ+] persons); persons who face discrimination based on pregnancy or pregnancy related conditions; parents; and caregivers. It also includes individuals who belong to communities that face discrimination based on their religion or disability; first-generation professionals or first-generation college students; individuals with limited English proficiency; immigrants; individuals who belong to communities that may face employment barriers based on older age or former incarceration; persons who live in rural areas; veterans and military spouses; and persons otherwise adversely affected by persistent poverty, discrimination, or inequality. Individuals may belong to more than one underserved community and face intersecting barriers.
- Identity Identity is a socially and historically constructed concept. Key facets of identity include gender, social class, age, sexual orientation, race and ethnicity, religion, age, and disability. They influence how we understand and experience the world, as well as the types of opportunities and challenges we face. Social and cultural identity is often intertwined with issues of power, value systems, and ideology. Social identity allows people to be part of groups and gain a sense of belonging in their social world. These identities play an important role in shaping self-image. The more people identify with a particular group, the more that group plays a role in shaping how people feel about themselves.
- Marginalization A social process by which individuals or groups are (intentionally or unintentionally) distanced from access to power and resources and constructed as insignificant, peripheral, or less valuable/privileged to a community or "mainstream" society.
- Representation Refers to the composition of individuals from diverse or underserved communities that occupy positions within an organization's workforce. The goal is to have representation of diverse groups in all occupations at all levels within the workforce, including senior leadership.
- **Positive Representation** When individuals from underserved communities hold positions that have voice, power, and impact within the organization. This is reflected when representation is leveraged with inclusion.

- Intersectionality The interconnected nature of social categorizations such as race, class, and gender as they apply to a given individual or group, regarded as creating overlapping and interdependent systems of discrimination or disadvantage.
- Multiculturalism The term "culturally diverse" is often used interchangeably with the concept of "multiculturalism." Multiculturalism is the presence of or support for several distinct cultural or ethnic groups within a society.
- Harassment Harassment is unwelcome conduct that is based on race, color, religion, sex (including sexual orientation, gender identity, or pregnancy), national origin, older age (beginning at age 40), disability, or genetic information (including family medical history). Harassment becomes unlawful where 1) enduring the offensive conduct becomes a condition of continued employment, or 2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive. Anti-discrimination laws also prohibit harassment against individuals in retaliation for filing a discrimination charge, testifying, or participating in any way in an investigation, proceeding, or lawsuit under these laws or opposing employment practices that they reasonably believe discriminate against individuals in violation of these laws. Harassment is a form of employment discrimination that violates Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 and the Americans with Disabilities Act of 1990.
- Discrimination Workplace discrimination occurs when an individual is discriminated against unlawfully based on a category that is protected by EEO law. The EEOC is responsible for protecting you from one type of discrimination employment discrimination because of your race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, disability, age (age 40 or older), or genetic information. The following actions are unlawful if they're taken based on an EEO protected category: unfair treatment; harassment by managers, co-workers, or others in your workplace; denial of a reasonable accommodation (e.g., because of a disability or religion); or retaliation because you complained about job discrimination or assisted with a job discrimination proceeding, such as an investigation or lawsuit.
- Stereotype Racial stereotypes are automatic and exaggerated mental pictures that we hold about all members of a particular racial group. When we stereotype people based on race, we don't consider individual differences. Because our racial stereotypes are so rigid, we tend to ignore or discard any information that is not consistent with the stereotype that we have developed about the racial group.
- Multicultural Competency A process of learning about and becoming allies with people from other cultures, thereby broadening our own understanding and ability to participate in a multicultural process. The key element to becoming more culturally competent is respect for the ways that others live in and organize the world and an openness to learn from them.
- **Privilege** Unearned social power accorded by the formal and informal institutions of society to all members of a dominant group (e.g., white privilege, male privilege, etc.). Privilege is usually invisible to those who have it because we're taught not to see it, but nevertheless it puts them at an advantage over those who do not have it.
- Systemic Racism —

- This is an interlocking and reciprocal relationship between the individual, institutional, and structural levels which function as a system of racism. These various levels of racism operate together in a lockstep model and function together as a whole system. These levels are:
- Individual (within interactions between people)
- Institutional (within institutions and systems of power)
- Structural or societal (among institutions and across society)

In many ways "systemic racism" and "structural racism" are synonymous. If there is a difference between the terms, it can be said to exist in the fact that a structural racism analysis pays more attention to the historical, cultural, and social psychological aspects of our currently racialized society.

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## MILLENNIUM CHALLENGE CORPORATION

## Reducing Poverty Through Growth

